DEPARTMENT OF ENVIRONMENTAL CONSERVATION AIR QUALITY CONSTRUCTION PERMIT

Permit No.: 009CP01 Final: November 28, 2003

Application Number: X-194

The Department of Environmental Conservation (Department), under the authority of AS 46.14 and 18 AAC 50, issues Construction Permit No. 009CP01 to the Permittee: **Union Oil Company of California.**

This permit satisfies the obligation of the owner and operator to obtain a construction permit as set out in AS 46.14.130.

As required by AS 46.14.120(c), the Permittee shall comply with the terms and conditions of this construction permit.

[18 AAC 50.320(b), 1/18/97]

John F. Kuterbach, Manager Air Permits Program

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List of Abbreviations Used in this Permit

	Alaska Administrative Code				
	Alaska Department of Environmental Conservation				
	Alaska Statutes				
	American Society of Testing and Materials				
	brake horsepower or boiler horsepower ¹				
	Continuous Emission Monitoring System				
	Code of Federal Regulations				
	Continuous Opacity Monitoring System				
	Dry standard cubic feet				
	US Environmental Protection Agency				
_	fgrain per dry standard cubic feet (1 pound = 7000 grains)				
	gallons per hour				
	Higher heating value				
ID	Source Identification Number				
kW	kilowatts				
MACT	Maximum Achievable Control Technology				
Mlb	thousand pounds				
MMBtu	Million British Thermal Units				
NAICS	North American Industry Classification System				
NESHAPs	Federal National Emission Standards for Hazardous Air Pollutants				
	[as defined in 40 CFR 61]				
NSPS	Federal New Source Performance Standards [as defined in 40 CFR 60]				
	Parts per million				
ppmv	Parts per million volume				
	Performance specification				
PSD	Prevention of Significant Deterioration				
RM	Reference Method				
SIC	Standard Industrial Classification				
TPH	Tons per hour				
TPY	Tons per year				
Wt%	weight percent				
Dollartonta					
Pollutants	Carbon Monoxide				
	Hazardous Air Pollutants [as defined in AS 46.14.990(14)]				
n23	Hydrogen Sulfide				
	Oxides of Nitrogen				
	Particulate Matter [as defined in 18 AAC 50.990(70)]				
3U ₂	Sulfur Dioxide				

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VOCVolatile Organic Compound [as defined in 18 AAC 50.990(103)]

 $^{^{1}}$ 1 boiler horsepower = 33,472 Btu-fuel per hp-hr divided by the boiler's efficiency. Approximately 7000 Btu-fuel per bhp-hr is required for an average diesel IC engines.

Names and Addresses

Section 1 - Identification

Permittee: Union Oil Company of California

P.O. Box 196247

Anchorage, AK 99519-6247

Facility: Steelhead Platform

Location: 60° 49′ 50″ North; 151° 36′ 00″ West

Physical Address: Upper Cook Inlet, Alaska

Owner: Union Oil Company of California (Operator),

Marathon Oil Company, and Forest Oil Corporation

Operator: Union Oil Company of California

P.O. Box 196247

Anchorage, AK 99519-6247

Permittee's Responsible Official: Dale Haines, Unocal Alaska Operations Manager

PO Box 196247

Anchorage, AK 99519-6247

Phone (907) 263-7951 Fax (907) 263-7874

Designated Agent: CT Corporation System

801 West 10th Street, Suite 300

Juneau, Alaska 99801 Phone (907)586-3340

Facility and Building Contact: Gary Ross or Johnny Santiago, Foreman

Facility Site Manager (907) 776-6863

Fee Contact: David Bailey

Union Oil Company of California

P.O. Box 196247

Anchorage, AK 99519-6247

(907) 263-7967 Fax (907) 263-7901

SIC Code of the Facility: 1311 – Crude Petroleum and Natural Gas Production

NAICS Code: 211111

[18 AAC 50.350(b), 1/18/97]

Section 2 - Emission Information and Classification

1. Emissions of Regulated Air Contaminants, as provided in Permittee's application:

Oxides of Nitrogen (NOx), Sulfur Dioxide (SO₂), Carbon Monoxide (CO), Particulate Matter, and Volatile Organic Compounds (VOC).

2. Construction Permit Classifications:

The C-14 Compressor Installation Project requires a construction permit because:

- a. The facility is classified as:
 - i. an Ambient Air Quality Facility under 18 AAC 50.300(b)(2), as the facility contains sources with a rated capacity of 100 MMBtu/hr or more, and
 - ii. a Prevention of Significant Deterioration (PSD) Major Facility under 18 AAC 50.300(c)(1), as the facility has a potential to emit more than 250 tons per year of NO_X and CO; and
- b. The project is classified as a modification listed in 18 AAC 50.300(h)(2), as there will be an increase in actual emissions.

[18 AAC 50.320(a)(2), 1/18/97]

Section 3 - Source Inventory and Description

- 1. **Authorization and Notification Requirements.** The Permittee is authorized to modify and operate the facility in accordance with the construction permit application as may be currently applicable. This permit authorizes the Permittee to install a fuel gas fired engine rated at 1,151 hp for the gas compressor.
- 2. **Serial Number.** Within 30 days after initial start-up, provide the serial number of Source No. H-C-14 to the Department's Air Permits Program Compliance Assurance Office, 610 University Avenue, Fairbanks, Alaska 99708.

[AS 46.14.020(b)]

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The source listed below has specific monitoring, recordkeeping, or reporting conditions in this construction permit. The source description and rating are given for identification purposes only. The facility equipment inventory prior to the project is listed in Section 3, Table 1-Source Inventory in the Title V Operating Permit No. 009TVP01 Revision 1.

Table 1: Construction Permit Source Inventory

Tag No.	Source Name	Source Description	Fuel	Maximum Nominal Rating/Size
H-C-14	Caterpillar G3516 TALE	C-14 Gas Compressor	Fuel-gas	1,151 hp

Section 4 - State Emission Standards

Opacity, Particulate Matter and Sulfur Dioxide. For the Gas compressor engine, Tag No. H-C-14, comply with state emission standards for fuel burning equipment as described below:

- **4. Visible Emissions.** The Permittee shall not cause or allow visible emissions, excluding condensed water vapor, emitted from Source C-14 to reduce visibility through the exhaust effluent by any of the following:
 - a. more than 20 percent for a total of more than three minutes in any one hour²,
 - b. more than 20 percent averaged over any six consecutive minutes.
 - 4.1 Monitor, record and report H-C-14 visible emissions in accordance with conditions 58.2 and 58.3 of the Operating Permit No. 009TVP01.

[18AAC 50.320(a)(1), 8/15/02] [18AAC 50.320(a)(2)(A-E), 8/15/02]

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- **5. Particulate Matter.** The Permittee shall not cause or allow particulate matter emitted from Source C-14 to exceed 0.05 grains per cubic foot of exhaust gas corrected to standard conditions and averaged over three hours.
 - 5.1 Monitor, record and report H-C-14 according to conditions 58.2 and 58.3 of the Operating Permit No. 009TVP01.

[18 AAC 50.055(b)(1), 8/15/02] [18AAC 50.320(a)(2), 8/15/02] [18AAC 50.320(a)(2)(A-E), 8/15/02]

- **6. Sulfur Compound Emissions**. In accordance with 18 AAC 50.055(c), the Permittee shall not cause or allow sulfur compound emissions, expressed as SO₂, from Source C-14 to exceed 500 ppmv averaged over three hours.
 - 6.1 Monitor, record and report according to conditions 5.5, 5.6, and 5.7 of the Operating Permit No. 009TVP01.

[18 AAC 50.055(c), 8/15/02] [18AAC 50.320(a)(2), 8/15/02] [18AAC 50.320(a)(2)(A-E), 8/15/02]

² For purposes of this permit, the "more than three minutes in any one hour" criterion in this condition will no longer be effective when the Air Quality Control (18 AAC 50) regulation package effective 5/3/02 is adopted by the U.S. EPA. The six-minute average standard is enforceable only by the State for Source ID H-C-14 until 18 AAC 50.055(a)(1), dated May 3, 2002 is approved by EPA into the SIP at which time this standard becomes federally enforceable.

Section 5 - Permit Documentation

September 12, 2003 Letter from Dale Haines, Unocal, to Jim Baumgartner, ADEC, with an

Application for an Air Quality Control Construction Permit.

October 16, 2003 ADEC preliminary permit decision.